

targeted for IRS investigations, the ones least likely to have either attorneys or accountants to assist them in determining whether or not an IRS tax was due or not.

And so in my legislation, besides the fact that we changed the burden of proof, instead of presuming that in fact the constituents are guilty, instead the constituents or taxpayers in this case will be presumed innocent and the IRS Commissioner would have to prove otherwise, in addition the legislation calls for increased probable cause, no more quotas.

As you have heard the testimony in the Senate hearings, there in fact were quotas for different IRS offices across the country which said there had to be so many audits or investigations, and certainly having quotas is certainly not the kind of jurisprudence that our courts envisioned or this country through its leaders would envision.

In addition, the bill calls for whistleblower protection, so if you report wrongdoing by an IRS employee or an office, that in fact you could not be audited then because you came forth to tell the truth.

In addition, the IRS would be responsible for any bad advice it gives, just as much as anyone else would who is in a similar official setting. IRS would be held to whatever advice it does give even though others may have relied to their detriment.

In addition, when the IRS overreaches and causes a taxpayer, an individual, business or legal loss, then the IRS would be responsible for that, and obviously it is our hope that through the anecdotal evidence which has been brought forward in the Senate hearings as well as House hearings, that in fact the American public can feel more secure as a result of this legislation, that there will not be quotas, fishing expeditions or in fact overreaching by the IRS in the future.

And finally, the bill calls for mediators to be appointed, Mr. Speaker, in the event that a taxpayer wants to settle a claim, that in fact the IRS would have to appoint a mediator for the purpose of trying to settle that claim.

And I applaud Members on both sides of the aisle for their efforts to work together to make sure we recast the IRS into an agency that is concentrated on service and in fairness. And while I am sure most of the IRS, if not the majority of the employees working there are doing what they think is best, the fact is that we have to change the code and the way the IRS is operating under changes of burden of proof which will, together with the agency, make sure that we make the reforms that the American people want and they deserve.

CRISIS IN AGRICULTURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. MINGE) is recognized for 5 minutes.

Mr. MINGE. Mr. Speaker, in the late 1990's we are facing a crisis in agriculture that is reminiscent of what we faced in the mid-1980's. It is also reminiscent of what we faced a century ago when William Jennings Bryan talked about crucifying American farmers on a cross of gold, when he talked about how our cities could be burned or factories could be destroyed and they would rise again, but if you destroy American agriculture, you can destroy our civilization. We have a unique responsibility, I submit, at the Federal level to show a continuing concern about the state of the agricultural economy.

It is unique in our country in the sense that we have a virtually pure form of competition for many of the crops and products that we produce among the producers. It is a true law of supply and demand that governs the market and governs the price. Other sectors of our economy are not bound by these stark principles to nearly the same extent.

Businesses can choose and work to differentiate the service that they provide, the product that they sell, from the competition. It may not be different, but the perception is it is different. Whether it be breakfast food, beer or some other commodity, we know that through careful advertising and brand promotion the consumers feel that they actually are receiving something substantially different from one producer compared to another.

But if you go to the country and you say you are interested in buying No. 2 yellow corn, it does not make any difference which farm that corn came from. No. 2 yellow corn is fungible with all other No. 2 yellow corn produced, or spring wheat or durum wheat or soybeans, and the list of products grown on our farms goes on and on.

Similarly, although one hog producer can strive for better genetics and more efficient production, when it comes to the marketplace, as long as those genetics and that production principle is basically the same, one farmer is receiving the same price as the next.

So what has this led to here in the late 1990's? Well, the price of corn in my part of the country, the northern corn belt, is dropping to \$2 a bushel and possibly lower. We see wheat dropping below \$3 a bushel. These two key crops are more important to the American farm economy than any others, and when the prices are dropping in those key crops, and we know that production costs are up, we are talking about some pretty serious difficulty.

In 1996 we passed a new farm bill with a 7-year life. It provided for transition payments and transition programs. And how was that farm bill serving us in the late 1990's, just barely 2 years later? My colleagues, I regret to report it is not serving us well.

The transition payments, which are costing the U.S. Treasury tens of billions of dollars, have been capitalized into land costs, higher rents for pro-

ducers, more difficult for new and beginning farmers to establish themselves. Unfortunately, these transition payments are not providing the farmers with a nest egg that they can put to one side in a good year and use in a poor year. Instead, it is money that has to be spent in what was hoped to be a good year, and when the poor year comes there is nothing at all.

We are in a poor year. Figures from the U.S. Commerce Department indicate that agricultural income is down 98 percent in North Dakota, 98 percent from 1996 to 1997. In Missouri it is down 72 percent. In Minnesota it is down 38 percent. These are dramatic figures. It is leading to hundreds, if not thousands, of bankruptcies and farm closures and foreclosures.

We must act in this body to recognize that unless Congress and the Federal Government helps farmers by creating tools that they can use to manage risk, we are going to continue to lose hundreds of thousands of farmers over the next few years in the United States, a loss we cannot afford.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

DO NOT VETO THE IRAN MISSILE PROLIFERATION SANCTIONS ACT OF 1997

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BERMAN) is recognized for 5 minutes.

Mr. BERMAN. Mr. Speaker, I am taking out this special order here today in conjunction with my friend and colleague from Texas (Mr. FROST) to discuss H.R. 2709, the Iran Missile Proliferation Sanctions Act of 1997. The President must decide tomorrow whether or not to veto H.R. 2709, which was sent to him on June 10.

This is legislation which Congress and the administration have discussed and debated again and again. It was first introduced in October 1997, followed by hearings and briefings with the administration, including at least two lengthy meetings between Vice President GORE and congressional sponsors of the legislation. In June it was sent to the President after a 392 to 22 vote.

The Senate passed this legislation 90 TO 4. It has such great support in the Congress because it is aimed at halting one of the major threats to international stability, Iran's program of developing missile delivery systems for its nuclear, chemical and biological weapons program.

There is no doubt about the Iranian program. Iran's Shihab-3 and Shihab-4 missiles are being designed with external help, reportedly primarily but not

exclusively Russian, to a range of 930 to 1,250 miles. There have been additional reports that the Iranian objective is to develop a multistage, intercontinental missile with a range of 3,500 miles.

I agree with the Secretary of State that we should engage Iran. We should not let the memory of the taking of American hostages in our Embassy in Tehran almost 20 years ago forever determine our relationships with Iran. We should seek to expand our person-to-person contacts and work to resolve differences that separate us.

However, it is important to note that while President Khatami is pursuing more moderate domestic policies, it is not clear how much control he exercises or what his real intentions are with respect to foreign and defense policy. We cannot ignore the threat Iran's weapons programs and support for terrorism pose to regional peace and American interests in people. We should not change our policy toward Iran without seeing significant changes in Iran's behavior.

Iran's weapons of mass destruction programs continue to be of grave concern. U.S. officials have said publicly that Iran has a large and increasingly self-sufficient chemical weapons program and probably has produced biological warfare agents as well. Administration officials have publicly confirmed that Iran is trying to acquire a nuclear weapons capability.

And while Iranian President Khatami has categorically rejected terrorist attacks against civilians, he has yet to back his words with action. According to State Department's most recent report on terrorism, Iran remains the most active state sponsor of terrorism. Last fall Iran hosted representatives of numerous terrorist groups at a conference of liberation movements where they discussed greater coordination and support for some of the groups.

When the administration waived the Iran and Libya Sanctions Act of 1996, sanctions on European companies and Malaysia, it said that it did so because it wanted to focus on preventing proliferation rather than preventing investments in the Iranian oil industry. While I do not endorse the administration's rationale for the ILSA sanctions waiver, I cannot help but note that the Iran Missile Proliferation Sanctions Act does what the administration says it wants. It focuses on proliferation.

It would be incongruous for the administration to veto this bill, because we can already see the consequence of the administration's waivers of the ILSA sanctions. The President should welcome this legislation, not decry it.

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On too many occasions in the past 3½ years, the leadership in this House has tried to tie the President's hand in foreign policy and overrule his prerogative to lead on national security matters. This is not such an effort.

Although the President must make a classified report to Congress of "credi-

ble information on foreign entities which have transferred missile technology to Iran," it is the President who determines what is credible. Thirty days later he must impose sanctions on those entities. These sanctions are not targeted against any country or government, but are narrowly targeted against the companies themselves, and the President may waive the imposition of sanctions, either because he is persuaded that the information contained in the report to Congress is incorrect or if he determines that the waiver is essential to the national security. And what are the sanctions that we are talking about? Simply that the entity or company that has proliferated this missile technology to Iran faces the loss of exports.

The bill has been significantly improved since it was first introduced. First, it is no longer retroactive beyond January 1998. Second, it allows for a classified report to be submitted to the Congress and permits the President to suspend sanctions. Third, it is limited to the transfer of items already contained on the Missile Technology Control Regime (MTCR) list—goods which are widely considered as benefiting a missile system—or additional items which the President determines to be of concern.

When this bill was debated last November in the House, the Administration suggested that the standard of evidence was so low that the US would be forced to impose "erroneously" sanctions on foreigners. I find this to be a difficult argument to accept. The concept of this or any Administration "rushing to an erroneous judgment" on any issue subject to the availability and evaluation of intelligence data is hard to imagine. Is "credible information" so weak a standard that it would result in the erroneous imposition of sanctions when the President has the discretion to determine whether or not the information is credible? If the President has evidence that seemingly credible information is not accurate, then by definition the information is no longer credible.

With a great deal of evidence accumulated since 1994, the Administration still has not determined whether or not to sanction China for transferring entire M-11 missiles to Pakistan.

Yes, there are existing sanctions laws which attempt to restrict weapons proliferation. This bill is different from some existing laws because, unlike the Iran-Iraq Arms Non-Proliferation Act of 1992, and unlike existing law, the President must report to the Congress credible information about a violation and then he has thirty days to impose a sanction unless he uses the waiver procedure. There is no doubt that this legislation makes it more difficult for the President to evade responsibility for imposing sanctions. Some may think it best to make it easier for the President to evade the intent of the Congress. That is not my view.

This bill should not be construed as anti-Russian—it applies to companies anywhere that aid Iran. Administration officials say that this legislation will damage our relationship with Russia at a time when Moscow is tightening controls over sensitive exports. If, indeed, the Russians are taking steps that comply with the Act's provisions, they will not be sanctioned. Even if Russian companies are sanctioned, U.S.-Russian relations will survive because our two countries have many shared in-

terests and concerns. We cannot afford to stop working with each other. And the United States remains committed to strengthening Russia's democratic transition. The bill now comports with Russian law and should be construed as a cooperative tool in our joint struggle to stop the dangerous flow of illegal technology to Iran.

The Russian Government has taken many positive steps to restrict sensitive exports. On May 5th the Deputy Head of Administration of the Russian President stated that "Military and dual purpose technologies constitute the national treasure of Russia, which has been created by successive generations of our people. Therefore the export control shall completely exclude any possibility of squandering unique domestic technologies, materials, parts, intellectual property, and prevent leaks of classified state and military data." This is a very helpful statement and the additional measures that the Russians have taken to control exports are also praiseworthy. They are a tribute to the seriousness with which the Russians take this issue and a tribute to the Administration, especially Vice President GORE, who has worked extraordinarily hard with the Russians to come to a common understanding of the seriousness of the Iranian threat and to a common approach to confronting that threat.

Vetoing this bill would be a mistake, sending instead a signal that the Administration is not as committed as it claims to be in preventing Iran from threatening its neighbors and the world.

The strong support that this legislation has received indicates that should the President veto this bill, his veto will be over-ridden. This legislation makes a substantial contribution to the fight against proliferation and has the overwhelming support of the U.S. Congress.

THE IRAN MISSILE PROLIFERATION SANCTIONS ACT

The SPEAKER pro tempore (Mr. BLUNT). Under a previous order of the House, the gentleman from Texas (Mr. FROST) is recognized for 5 minutes.

Mr. FROST. Mr. Speaker, I rise to join my colleague, the gentleman from California, in support of H.R. 2709, the Iran Missile Proliferation Sanctions Act, and to urge the President to sign this most important legislative initiative.

This is an important proposal that seeks to protect United States national security interests in the Middle East by stemming the flow of missile technology and expertise to Iran. While the administration may have objections to several of the sanctions imposed by the bill, I would submit that the President's authority to make foreign policy is protected in the bill by granting him the authority to waive those sanctions under specific circumstances.

Mr. Speaker, this proposal is especially important since intelligence reports show if Iran succeeds in its efforts to acquire weapons of mass destruction and the missiles to deliver them, within a year it could have the indigenous capability to begin assembly and testing of ballistic missiles capable of hitting Israel, other targets in the Middle East, as well as parts of Europe and Asia.